GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:987
ANSWERED ON:28.11.2006
PROMOTION OF AGRO AND RURAL INDUSTRIES IN RAJASTHAN
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Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a): the details of the progress made during the last three years in Agro and Rural Industry sector in Rajasthan;

(b): whether any proposal of the State Government of Rajasthan are lying pending with the Government; and

(c): if so, the time by which these proposals are likely to be approved?

Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a): Industries in the rural areas of the country including Rajasthan are promoted by the Government (in the Ministry of Agro and Rural Industries) through two credit-linked subsidy schemes, namely, the Rural Employment Generation Programme (REGP), implemented by the Government through the Khadi and Village Industries Commission (KVIC) and the Pradhan Mantri Rojgar Yojana (PMRY), implemented through the State and Union Territories. PMRY is, however, implemented in both rural and urban areas. Approximately, fifty per cent of the units established under PMRY are estimated to be in rural areas. These units are part of agro and rural industries sector. The progress made in terms of units set up by eligible beneficiaries of these two schemes and employment generated in Rajasthan during the last three years are given in the table given below.

Year	REGP		PMRY	
	Number of Units	Employment (number of persons)	Number of Units	Employment (number of persons)
2003-04	2496	51337	12769	19154
2004-05	1537	38287	12919	19378
2005-06	2133	59596	13760	20640

Further, the Government has approved the Scheme of Fund for Regeneration of Traditional Industries (SFURTI). This Scheme envisages the development, inter alia, of 25 clusters of khadi and 50 clusters of village industries, over five years beginning 2005- 06. The guidelines of SFURTI are available on the website of the Ministry of Agro and Rural Industries at http://ari.nic.in.

(b): Applications for setting up industry units mentioned at (a) above are not received directly by the Government in the Ministry of Agro and Rural Industries. Under the REGP, an eligible entrepreneur can establish a village industry by availing of margin money assistance from the KVIC and loans from any public sector scheduled commercial bank. For this purpose the prospective entrepreneur has to submit a project proposal to the State offices of the KVIC or the district offices of the respective State/ Union Territory Khadi and Village Industries Board (KVIB) or the implementing banks directly. Approval of the project depends on technical and financial appraisal by the respective banks. Similarly, under the PMRY, educated unemployed youth can establish a self-employment unit of village industry in the rural areas by availing of permissible subsidy and loan from the banks. This Yojana is implemented through the District Industries Centres of States and Union Territories. For this purpose, the prospective entrepreneur has to submit a project proposal to the District Industries Centre concerned, which in turn, sponsors short listed applications to the implementing banks. All proposals received for cluster development under the SFURTI have been examined and 29 clusters of khadi (including 2 in Rajasthan), 50 clusters of village industries (including 2 in Rajasthan) and 25 clusters of Coir have been identified for development under SFURTI.

(c): Does not arise.